

RURAL WORKERS IN SRI LANKA: ISSUES AND DEVELOPMENT*

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In recent times, researchers, planners, and policy makers have expressed concern about the socio-economic conditions of the rural workers in Sri Lanka. But none of the current development policies or programmes has reflected this concern by way of incorporating any concerted action to improve the living conditions of the rural workers. This paper therefore, attempts to propose a range of policy measures in the alleviation of poverty among the rural workers in Sri Lanka, which could be incorporated within the current rural development programmes.

Introduction

There is now a growing consensus among the researchers and planners that there should be specific policies for the betterment of socio-economic conditions of rural workers¹ in Sri Lanka. This indeed is a healthy sign of departure from the conventional approach which has so far treated the rural workers as a mere input in the rural production sector. In so far as the rural workers form an important part of the production process and hence in national development, it is imperative to take steps towards fulfilling their basic human needs.

The concern about the lot of rural workers is two faceted. First, there is the political aspect. About 40 percent of the rural households are considered to comprise one or more rural workers (Perera and Gunawardena, 1980, p. 1). This is a significant proportion of the rural population. They have been in existence for long under conditions of poverty. This has political implications in that the rural vote is an important focus of party politics in the country. Those who hold the reins of power however find it difficult to match their development programmes with the existence of a large number of people steeped in dire poverty. Second, the recognition of the role of rural workers in growth and development in rural areas in particular and national development in general has generated a concern about them. For example, in the smallholding domestic agriculture characterized by paddy cultivation, there are peaks of production activities requiring a certain proportion of hired workers. This contributes significantly to the existence of wage labourers in the rural economy. In particular,

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1 Rural workers are defined here as those engaged in selling their labour for wages, whether in cash or in kind, and work under directions in agricultural and or non-agricultural activities. The rural worker group generally consists of landless and marginal farmers (Gunawardena, 1979, p. 189).

new development projects such as Mahaweli development project, integrated rural development projects etc., call for large gangs of seasonal labour to be drawn from among the rural workers.

However, the concern about the rural workers has not so far reflected by way of formulating policies specific to rural labour. On the other hand, policies such as settlement programmes, tenancy reform, and land reform have had only a marginal impact as far as the rural workers are concerned. Technological change in agriculture in the past has in fact made adverse effects on rural workers. Although the early land settlement policies favoured many landless people in the wet zone, later on the shift of emphasis was towards 'educated youth' at the expense of the landless rural workers. The Paddy Lands Act of 1958 contributed in an important manner to securing the position of tenants. But the provision made under this Act for a minimum wage policy for rural hired labourers never came into effect. The Land Reform Programme launched in 1972 and the Village Expansion Programme started in 1940s allocated land to some rural worker households for residential purposes but rarely for pursuing cultivation as a livelihood. The new agricultural technology has become increasingly capital intensive affecting the employment opportunities of the rural workers. Successive governments have encouraged this technology through subsidies on capital investments such as tractors, milling complexes, etc. Industrial component in the rural economic activities has not improved to survive under the competition offered by imported items, especially in recent times.

Thus, it is apparent that conscious policy measures are essential to improve the living conditions of the rural workers who have hitherto been relegated to a secondary place though they are an important segment of the rural population. This paper is an attempt to identify a range of policy measures which would help in the above direction. The paper is in four parts. Following the introduction, a brief account on the socio-economic conditions of the rural workers are presented to provide the logical background for policy formulation. The broad policy implications are discussed next, while the conclusions of the paper are summarised in the final section.

"Rural Workers" and their Socio-Economic Conditions

The majority of the rural workers depends almost entirely on wages they earn from selling out their labour. This group mainly comprises landless people in rural areas. However, the small farmers who operate some agricultural land which does not produce enough for them to subsist also work as hired labourers to supplement their consumption needs or to get a cash income. The Land and Labour Use Survey conducted in 1975 by the Central Bank of Ceylon (unpublished) estimates that about 600,000 persons are involved in hiring out their labour in rural agricultural activities. Of these, 55 percent are landless agricultural labourers (quoted in Perera and Gunawardena, 1980, p. 2). The total number of the labourers represent about 15 percent of the economically active population in Sri Lanka.

Agriculture being the mainstay of the rural economy, this discussion centres more on the wage earners in the agricultural sector. Land preparation, planting and harvesting in the food crop sector are the major activities in which the majority of the workers, both male and female are employed. In the off-season a few of them also find employment in non-agricultural pursuits such as brick making, quarrying, timber sawing, cinnamon peeling, road construction, etc.

The present socio-economic conditions of the rural workers are related to a number of factors such as dependency on others, low and fluctuating wages, irregular employment, limited job opportunities, etc. Therefore, it is relevant to give a brief account of their employment patterns, wages, and conditions of work, before going onto a discussion of their general living conditions.

a. *Employment Aspects*

As mentioned earlier, the production activities in peasant agriculture are seasonal and time-bound so that the employment prospects of the rural workers are confined to a few months of the year. In most areas, *Maha*² is the major paddy cultivation season. Therefore, the bulk of the work opportunities for the rural workers is available during this season. In all, paddy cultivation provides employment to the rural workers for roughly 5-6 months of the year. In between planting and harvesting of paddy, the workers have to remain largely unemployed, since non-agricultural job opportunities are limited. Because of the casual nature of their employment, the rural workers are forced to be without any income on the days that they cannot work due to such factors as non-availability of work, bad weather, and bad health.

In areas where vegetable cultivation is intensive the workers are able to find more employment throughout the year. However, the *chena*³ type of cultivation and the coconut and rubber smallholdings do not offer much employment for the rural workers owing to the low labour demand in the cultivation of those crops. Tea plantations in recent years have created a demand for local labour but the effect of this on the rural workers' group is yet to be seen.

However, the spatial mobility of the rural workers in some areas is not restricted. They can move beyond the boundaries of their villages in search of employment. A seasonal migration of labour occurs from densely populated wet zone to relatively thinly populated dry zone at periods of peak labour demand in the dry zone. Normally, the agricultural calendar in the wet zone is some two months ahead of that in the dry zone and this allows the workers in the wet zone to migrate to the dry zone in search of employment. However, such employment opportunities are available to less than 50 percent of the rural workers of the wet zone areas (Crooks and Ranbanda, forthcoming).

b. *Conditions of Work and Wages*

Almost all rural hired workers are recruited on casual terms and therefore, there is no assurance of permanency although some may work for a particular employer for a relatively long period of time (throughout a season or over a number of seasons). The casual workers are recruited on three bases; day's work basis, piece work basis, and contract basis. The most prevalent is the day's work basis. However, tasks like transplanting, harvesting and threshing are sometimes performed on piece rate or contract basis. Under the contract system, intermediaries sometimes play the role of agents who employ casual labour on a daily work basis. This form of recruitment can be mostly seen in the case of seasonal migrant workers.

2 *Maha* season generally extends from July-August to February-March and coincides with the north-east monsoon. The other season is *Yala* which extends from April-May to August and coincides with the south-west monsoon.

3 Shifting or slash-and-burn cultivation.

A normal working day of a rural worker is about ten hours (including time taken for meals and rest). When tasks like planting, harvesting, and threshing are involved they have to work still longer hours. However, such labour is normally compensated through the payment of higher cash wages, provision of meals, liquor (toddy and arrack), and tobacco and also the offer of a portion of the harvest. Legal coverage is virtually absent to protect the workers against risks attached to certain duties such as use of various types of tools and machines, in addition to handling agrochemicals and chemical fertilizer in spite of the fact that even deaths have been reported in the process of the application of certain agrochemicals.

Employers in many rural areas still provide the workers with breakfast, midday meal, tea, and tobacco, especially in agricultural activities. If these are not provided, an extra payment is usually added to the wage rate. Migrant workers are provided, in addition, with evening meals, temporary housing facilities, medical care, and even travelling expenses.

In the case of non-migratory workers, only males enjoy such benefits. Whilst the female workers in certain localities, especially in the dry zone, are not provided with meals, their wage rates too are in general about 70 percent of those of the male workers (Perera and Gunawardena, 1980, p.71). Wages of the rural workers differ considerably between the wet zone and the dry zone areas of the country. Higher labour productivity coupled with a general shortage of labour in the dry zone results in a higher wage rate there. For example, during *Maha* 1978/79, the wages in the dry zone were about 150 percent of that in the wet zone (Perera and Gunawardena, 1980, p. 71). Different wages are paid for different tasks. For example, land preparation, application of agrochemicals, and threshing are normally done by male workers who are paid higher wages for those activities. On the other hand, planting, weeding, and harvesting are generally done by women who get lower wages (see Appendix Table 1). Discrimination in the payment of wages for females is more the result of the workings of custom and convention than efficiency standards.

c. *Living Conditions*

The need to work as hired labour arises from one's low socio-economic status, i.e. landlessness and need to earn for subsistence (Wickramasekara, 1977, pp. 79-82). Similarly, one's socio-economic status is explained by his/her major occupation or sources of income. Thus, on the one hand the rural workers are poor because they work as hired labourers and on the other hand, they work as hired labourers because they are poor.

Land in rural Sri Lanka is still very unevenly distributed and most of the rural inhabitants do not own enough land for cultivation. Some of those who do not own land may have access to cultivate other's land as tenants. However, the only available means of living for the majority of landless is hiring out their labour for wages. Although the landlessness in rural Sri Lanka can be generally attributed to fragmentation of inherited land, sale or mortgage of land in lieu of debt etc., the importance of the influence of rural elites and unequal distribution of land should not be undermined. Available evidence supports the contention that many rural workers have been deprived of their right to possess cultivable land. Firstly, in the past many rural workers have been denied the right to get cultivable land from government projects because of deliberate manoeuvrings by landlords and village officialdom. Secondly, the majority of the tenants evicted

by the landlords as a consequence of rent regulation laws implemented since late 1950s may also have joined the category of landless labourers. Finally even an appreciable portion of the landless families who received land in the dry zone colonization schemes may have been forced to sell or mortgage their land to raise money for subsistence partly because they did not have the required access to credit, inputs, water, and extension services. In these colonization schemes, a few influential persons began to emerge as landlords. These landlords even utilise the labour of the settlers whose lands were dispossessed, to cultivate their land holdings. Apart from these, it is likely that a large number of the second and third generations of the original settlers also have joined the ranks of hired workers in the absence of land or alternative and better jobs.

When evaluated on the basis of certain socio-economic indicators such as the ownership of radios, sewing machines, pressure lamps, and so on, the rural workers seem to fare worse in relation to other socio-economic groups. Houses of the workers are of substandard quality with minimum facilities. Most houses are cadjan thatched with mud-walls, containing one or two rooms including the kitchen. Drinking water is obtained mostly from rivers and canals while majority of the households do not have lavatories. Kerosene oil and firewood are used for lighting of lamps and cooking respectively, which are becoming increasingly expensive to the extent that the workers' households cannot afford them.

The average monthly income of the rural worker households has been found to be lower than or around Rs. 300/; (Wickramasekara, 1977, p. 88; Lebbe *et al*, 1976, p. 34; Perera and Gunawardena, 1980, p. 103; Crooks and Ranbanda, forthcoming). Thus the evidence points to the continued poverty conditions of the rural workers. In certain months their income is near zero due to non-availability of work which compels them to resort to the assistance of landlords, traders, and better off relatives for consumption requirements.

Survey findings indicate that the rural workers spend most of their income on food and clothing. These two items alone constitute about 70 percent of their total expenditure. Kerosene oil takes about 3 percent while about 16 percent is spent on religious activities and social functions. Another 6 percent is on tobacco and arrack. Thus only 5 percent is left for all other basic necessities, i.e. housing, medicine, travelling, and education (Perera and Gunawardena, 1980, p. 107).

The rural worker's educational status and health standards are also found to be lower when compared with other categories in the rural areas. Their children too follow them and join the rank of hired labourers after a few years of schooling in primary grades. Poor economic status of these households compel even the children to join the work force in order to earn money for their subsistence. Many children, especially females of such households have to be engaged in household activities while parents are working as hired labourers.

To sum up, the present low standards of living of the rural workers and their families are a result of many factors, the major causes being the lack of access to cultivable land, low and irregular employment, low real wages, and dependency on the others for employment and income. It is now increasingly recognised that growth oriented strategies alone do not help in the development of economically weaker sections of the population. In fact, the living conditions of such weaker sections as rural workers tend to be worse with economic growth simply because such growth strategies as those carried out in Sri Lanka concentrate too much

on increasing production of goods and services which neglect the aspects of distributing the benefits of growth. However, if the strategies were less oriented towards increasing private production, and were more distributive, the poorer sections of the society such as rural workers too would be benefitted, subject to the proviso that certain structural reforms are carried out. The next section suggests a range of policy measures which should be necessary elements of a strategy towards developing the socio-economic conditions of the rural workers in Sri Lanka.

Policy Implications

The dependency status of the rural workers can only be reduced by making them the owners of sufficient means of production, primarily of land. In the past, various programmes and policies have been implemented to provide the landless with agricultural land but they have recorded only limited success as far as their benefits to landless workers are concerned. Attacking the fundamental problem of the rural workers would involve a drastic overhauling of the rural land tenure structure which, in turn, depends largely on political will. There exists a case for land reforms which should fix a very low ceiling for paddy lands (e.g. about 2 acres per family) and should redistribute them and among landless and marginal farmers. Such radical measures, however, would not be forthcoming in the foreseeable future. Therefore, making improvements to the living standards of the rural workers through creating more and regular employment opportunities would depend on limited policy changes within the existing socio-economic framework in the country.

Such policies, in the first place, should centre on the macro level programmes geared to improve the employment opportunities within the rural sector itself. Helping the labourers to find more and regular work call for intensifying agricultural activities, changing the present crop-mix in particular areas, discouraging the capital intensive modes of production, and developing labour intensive agro-based industries in rural areas. The inducement of labour intensive technology in agriculture which saves energy and capital, needs adequate consideration while the development of small scale labour intensive rural industries, coupled with the implementation of policies geared towards imposing restrictions on imported items which compete with the rural industrial products, deserves serious attention.

At present, the employers have a bigger say in the determination of wages, and in the absence of minimum wage regulations, they are able to pay low wages to the rural labourers. Though the rural wages should have risen considerably⁴, it did not materialise because of the weak bargaining position of the workers. There is no institutionally fixed wage rate which can be used as the base for bargaining while there are no strong labour organisations in the rural sector. Though it may be difficult in practice, exploring the possibility of introducing a minimum wage law for the rural sector should not be ruled out. Regularisation of working hours and conditions of work, and compensation in the case of occupational hazards should also be parts of such a policy.

Perhaps, a better way to strengthen the bargaining power of the rural workers would be to organise them into trade unions or workers' cooperatives. Such organisations would give the workers the necessary thrust and recognition in

4 In view of increased paddy prices, and rises in food prices and general cost of living.

formulating and planning policies which are intended to combat their own poverty. In the past, workers' organisations have not emerged due to such factors as: (a) lack of opportunity to meet, (b) lack of leadership and class consciousness, (c) concentration of political power among a few elites in rural areas, and (d) poor economic position of the rural workers (Gunawardena, 1979, pp. 209- 10).

Assuming that these barriers are crossed through, and that there is willingness on the part of the government to recognise the group activities of rural workers, these organisations can first be set up at local level and later extended to the regional and national levels. Such organisations should seek to assure more and regular employment avenues to their members in addition to bargaining over wages and better working conditions. Since the grounds have not yet developed for *spontaneous* rural labour organisations, some inducement has to be provided to set up these organisations, by the agencies of the government or non-government sector.

Much reliance has to be placed on comprehensive rural development programmes to develop the infrastructural facilities available to rural areas in general. Although several integrated rural development projects are now in operation in Sri Lanka, no project has included components which will be of direct benefit to the rural worker group. Investments in housing, water supply, electricity, educational facilities, roads, irrigation, etc. will be of limited use to the poor groups unless oriented towards creating more and productive employment too. However, the integrated rural development projects could help the rural workers through employment creating rural works programmes, the details of which are outlined below.⁵

- a. Where the district-based projects emphasize both on directly productive investments as well as on improvements to infrastructural facilities, there is scope for incorporating rural works programmes in the projects, at the stage of project identification and appraisal.
- b. The rural works programme strategies should focus on careful identification of such labour intensive civil works as farm-to-market link roads, land development, minor irrigation, drainage etc.
- c. These works programmes should be phased carefully over the project period so as to embrace the lean periods of usual rural economic activities.
- d. Such works programmes should be concentrated in village clusters where the problem of unemployment and underemployment is most acute.
- e. Lists of labourers and their family members who are able and willing to work on such programmes should be prepared well ahead of the beginning of the rural works programmes.
- f. Payment of wages should be in cash. This will avoid confusions arising out of and mis-management in paying wages in kind (e.g. food-for-work). Free labour should not be called for, since the really poor cannot afford to work free.

⁵ The writer is fully aware of the fact that the suggested rural works programmes only ensure some employment for the rural workers within respective project periods and that in the long-run they will ensure more benefits to rich people unless structural reforms (e.g. land reforms) are carried out.

- g. Where the integrated rural development projects are financed by foreign agencies and where they are reluctant to finance the rural works programmes, finances should be provided by the District Development Councils or such other local sources.
- h. Identification of small but viable rural works programmes (projects) and their implementation should be through local organisations such as the Rural Development Societies, Co-operatives, etc. No private contractors or local level Government officials should be allowed to carry out the works.
- i. The planning of the local level small projects should be done in consultation with local people, and after local diagnostic surveys. This will help in selecting the projects which are most suitable for a particular locality.
- j. Adequate care should be exercised to ensure advance planning and arrange for the supply of essential raw materials needed for the labour intensive projects.
- k. A built-in monitoring and evaluation system is needed since rural works call for more intensive supervision.
- l. It would be advisable to undertake easily manageable and replicable *pilot projects* in small compact areas of selected village clusters at the beginning.
- m. The implementation of the rural works programmes could be undertaken by the proposed Village-awakening Councils (*Gramodaya Mandala*) at the village level, while district level co-ordination and monitoring could be the responsibility of the District Development Councils.

Also, where the integrated rural development programmes emphasize the increase of yield and production of a particular crop or a range of crops, measures should be incorporated so as to increase labour-intensive activities. For example, encouraging transplanting and hand weeding of paddy, where cost structures permit such action, could yield in an increased use of hired labour. Similarly, concessional credit facilities should not be extended for tractors where replacement of human labour will be a possibility. Development of small scale and labour-intensive rural industries which are based on local raw materials will be another area where the integrated rural development projects could help the workers in finding more employment. Coir-making, beedi wrapping, brick making, quarrying, etc., seem to be feasible in this regard. Identification, selection, and implementation of these projects, too, should be done in a manner similar to that suggested under the rural works programme. The current rural development projects however, do not appear to have placed considerable emphasis on the above aspects.

Although only about six districts are currently under the integrated rural development programme, the Government has recently announced that such projects will be implemented shortly in the other districts too. Therefore, if properly implemented, the rural works programmes and other complementary policies which could be incorporated within the integrated rural development project framework would no doubt increase the employment opportunities for rural workers, at least within the respective project periods.

Conclusion

The main factors which preclude the rural workers from attaining a better living standard in the short run are the lack of casual work and low wages. Hence the need to increase the employment opportunities and wages in the rural sector. Increasing rural agricultural and industrial activities through the encouragement of labour intensive technologies would be a rational approach towards solving the employment problem. Similarly, the question of wages can be tackled by maintaining better rural/urban terms of trade, supplemented by labour organisations and minimum rural wages. As a practical and short-term solution to the problem of employment of the rural workers, the possibility of incorporating rural works programmes in the integrated rural development framework may be explored. However, it is by no means suggested that these are effective alternatives to the far reaching solutions like a sensible land reform programme which would attack the fundamental cause of poverty of the majority of rural workers i.e. landlessness. Dry zone colonisation schemes would help further to relieve the problems of landlessness in the wet zone to a certain extent; but it is very likely that in future these schemes will have to consider the cases of second and third generations of the pioneer dryzone colonists before thinking about the wet zone landless.

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